

discussion of non-energy benefits such as project reliability and durability.

(i) Provide preliminary specifications for critical components.

(ii) Provide preliminary drawings of project layout, including any related structural changes.

(iii) Document baseline data compared to projected consumption, together with any explanatory notes. Provide the actual total quantity of energy used (BTU) in the original building and/or equipment in the 12 months prior to the EEI project and the projected energy usage after the EEI project shall be the projected total quantity of energy used (BTU) on an annual basis for the same size or capacity as the original building or equipment. For energy efficiency improvement to equipment, if the new piece of equipment has a different capacity than the piece of equipment being replaced, the projected total quantity of energy used for the new piece of equipment shall be adjusted based on the ratio of the capacity of the replaced piece of equipment to the capacity of the new piece of equipment. When appropriate, show before-and-after data in terms of consumption per unit of production, time or area. Include at least 1 year's bills for those energy sources/fuel types affected by this project. Also submit utility rate schedules, if appropriate.

(iv) Identify significant changes in future related operations and maintenance costs.

(v) Describe explicitly how outcomes will be measured annually.

(b) Grant funds may be used to conduct and promote renewable energy development assistance by providing to agricultural producers and rural small businesses recommendations and information on how to improve the energy efficiency of their operations and to use renewable energy technologies and resources in their operations.

(c) Energy audit and renewable energy development assistance can be provided only to a facility located in a rural area unless the owner of such facility is an agricultural producer. If the facility is owned by an agricultural producer, the facility for which such services are being provided may be located in either a rural or non-rural

area. If the agricultural producer's facility is in a non-rural area, then the energy audit or renewable energy development assistance can only be for a renewable energy system or energy efficiency improvement on integral components of or directly related to the facility, such as vertically integrated operations, and are part of and co-located with the agriculture production operation.

(d) The energy audit or renewable energy development assistance must be provided to a recipient in a State.

(e) The applicant must have a place of business in a State.

(f) For the purposes of this subpart, only small hydropower projects are eligible for energy audits and renewable energy development assistance. Per consultation with the U.S. Department of Energy, the Agency is defining small hydropower as having a rated power of 30 megawatts or less, which includes hydropower projects commonly referred to as "micro-hydropower" and "mini-hydropower."

§ 4280.188 Grant funding for energy audit and renewable energy development assistance.

(a) *Maximum grant amount.* The maximum aggregate amount of energy audit and renewable energy development assistance grants awarded to any one recipient under this subpart cannot exceed \$100,000. Grant funds awarded for energy audit and renewable energy development assistance projects may be used only to pay eligible project costs, as described in paragraph (b) of this section. Grant funds awarded for energy audits and renewable energy development assistance projects are prohibited from being used to pay costs associated with the items listed in paragraph (c) of this section.

(b) *Eligible project costs.* Eligible project costs for energy audits and renewable energy development assistance are those post-application expenses directly related to conducting and promoting energy audits and renewable energy development assistance, which include but are not limited to:

(1) Salaries directly or indirectly related to the project;

(2) Travel expenses directly related to conducting energy audits or renewable energy development assistance;

(3) Office supplies (e.g., paper, pens, file folders); and

(4) Administrative expenses, up to a maximum of 5 percent of the grant, which include but are not limited to:

(i) Utilities;

(ii) Office space;

(iii) Operation expenses of office and other project-related equipment (e.g., computers, cameras, printers, copiers, scanners); and

(iv) Expenses for outreach and marketing of the energy audit and renewable energy development assistance activities, including associated travel expenses.

(c) *Ineligible project purposes.* Grant funds may not be used to:

(1) Pay for any construction-related activities;

(2) Purchase equipment;

(3) Pay any costs of preparing the application package for funding under this subpart;

(4) Pay any costs of the project incurred prior to the application date of the grant made under this subpart;

(5) Fund political or lobbying activities; and

(6) Pay any judgment or debt owed to the United States.

(d) *Energy audits.* A recipient of a grant under this subpart that conducts an energy audit shall require that, as a condition of the energy audit, the agricultural producer or rural small business pay at least 25 percent of the cost of the energy audit. Further, the amount paid by the agricultural producer or rural small business will be retained by the recipient as a contribution towards the cost of the energy audit.

(e) *Time limit.* Unless otherwise agreed to by the Agency, any energy audit or renewable energy development assistance grant agreement under this subpart will terminate 2 years from the date the Agency signs the agreement.

§ 4280.189 [Reserved]

§ 4280.190 EA/REDA grant applications—content.

Applications must contain the elements specified in paragraphs (a) through (g) of this section.

(a) Form SF-424.

(b) Form SF-424A.

(c) Form SF-424B.

(d) If applicable, a copy of the applicant's organizational documents showing the applicant's legal existence and authority to perform the activities under the grant.

(e) A proposed scope of work, including a description of the proposed project, details of the proposed activities to be accomplished and timeframes for completion of each task, the number of months duration of the project, and the estimated time it will take from grant approval to beginning of project implementation. A written narrative to be used as the scope of work which includes, at a minimum, the following items:

(1) An Executive Summary;

(2) The plan and schedule for implementation;

(3) The anticipated number of agricultural producers and/or rural small businesses to be served;

(4) An itemized budget—compute total cost per rural small business or agricultural producer served—matching funds should be clearly identified as cash;

(5) The geographic scope of the proposed project;

(6) Applicant's experience as follows:

(i) If applying for a renewable energy development assistance grant, the applicant's experience in completing similar renewable energy development assistance activities, including the number of similar projects the applicant has performed and the number of years the applicant has been performing a similar service.

(ii) If applying for an energy audit grant, the number of energy audits and assessments the applicant has completed and the number of years the applicant has been performing those services;

(iii) For all applicants, the amount of experience in administering energy audit, renewable energy development assistance, or similar activities using State or Federal support.

(7) Applicant's resources, including personnel, finances, and technology, to